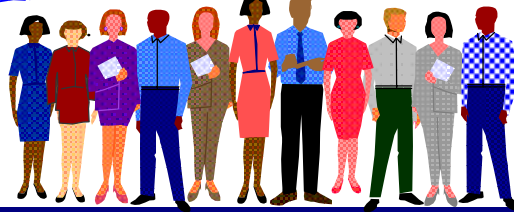


Personnel Issues & You



UPPS Newsletter 2002-12

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New Dental Rates for 2003

Effective January 1, 2003 the premiums for several dental plans will be increasing. The new rates shown below will be updated in the Payroll System.

BURCH DENTAL

Single	\$16.50
Dual	\$29.50
Family	\$43.25

DELTA DENTAL (PPO plan) same plan as 2002

Single	\$19.77
Dual	\$37.97
Family	\$65.24

DELTA DENTAL (DELTA PREMIER) INDEMNITY PLAN New for 2003

Single	\$21.44
Dual	\$41.18
Family	\$68.08

HEALTH RESOURCES, INC.

Single	\$26.98
Emp & Spouse	\$52.64
Emp & Children	\$58.46
Family	\$76.38

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Entering KECC Employee Contributions

This is a reminder that KECC pledge forms for 2003 can only be entered January 2 thru January 6 in order to be deducted from the January 15 pay date.

Anything not entered during this time will result in KECC not receiving the intended contribution.

Deferred Comp Calculations

A sample spreadsheet is attached that shows how taxes are calculated and how to process a Deferred Comp deferral. Use the “2” screen on POPY to do the calculations.

Federal and State Income Tax – Because there continues to be confusion regarding Federal and State income tax paid on the deferral amount, we repeat: **NO** Federal or State taxes are paid on the deferral amount.

Leave Time Value - The leave time value is the OT 1 rate on the “B” screen multiplied by the number of hours allowed based on the months of service.

Comp Deferral - The gross minus retirement and the amount deferred is the amount used to calculate the 27% Federal and 6% State taxes.

Annual Deferral - Social Security and Medicare Tax must be paid on the “gross”.

Local Taxes - Local taxes are usually figured on the gross amount, however, there are EXCEPTIONS FOR SOME LOCAL ENTITIES, PLEASE REFER TO THE PAYROLL MANUAL, PAGE 10.1. For employees that have a tiered Local Tax, the “@” screen figures the max tax. To get the actual tax amount, you will have to calculate it manually.

The sample also shows the information you must enter on the “K” screen based on the calculation figured on the “2” screen in POPY. NOTE: You must leave at least a \$5.00 net check.

Retention of Applications and Supporting Information

We have received a number of questions concerning the length of time that competitive and internal mobility applications and information relative to the selection process need to be retained once a selection has been finalized. We have received feedback on this issue from EEOC and the U.S. Department of Labor. It is also addressed in our regulations. 101 KAR 2:046 (12) states the secretary shall maintain all records pertinent to an application or examination for a period of three (3) years. “Pertinent to” means all information that is related to the hiring process; i.e. application, interview notes, other materials or records used to form the basis for a selection. This includes materials containing information relative to those items mentioned in and required by KRS 18A.0751.

While the “secretary” refers to the Secretary of the Personnel Cabinet, we do not require you to return materials to the Secretary to be maintained in our system. Applications and supporting information must be maintained by the agency for the required three (3) years. This will allow the agency to document the fact that the applicant recommended fits the “job selection criteria” the agency has identified as well as form the basis for coaching and counseling the employee should the need arise.

Another question we are asked is “does the agency have to retain resumes of individuals who answer an advertisement for employment but submit a resume instead of an application and fail to be certified to a register?” The answer to this is “No”. KRS 18A requires an application be submitted correctly, fully and on a timely basis in order to be considered for employment.

It should also be noted that the state is considered to be one employer, therefore, if one agency experiences violations and is required to maintain information for a longer period, such requirement generally applies to all agencies.

How To Calculate Deferred Comp

The deferral amount to enter on the "K" screen is figured on the "2" screen in POPY

To calculate the Gross Amount for Deferral, take time to defer multiplied by (OT1) rate on "B" screen.

911 Comp-Time Calculation:

\$8,403.16	Gross
- \$420.16	Retirement
Amount to put on "K" Screen - \$6,830.00	Deferral Amount
\$1,153.00	Have to pay Federal (27%) & State (6%) tax on this amount
- \$610.70	FICA Gross less Retirement multiplied by 7.65% (\$7,983.00)
- \$311.31	FIT
- \$69.18	SIT
- \$147.05	LOCAL (18-13)
\$14.76	NET PAY

917 Annual Termination:

\$8,854.86	GROSS
- \$7,590.00	DEFERRAL AMOUNT
\$1,264.86	Have to pay Federal (27%) & State (6%) tax on this amount
- \$677.40	FICA Gross Multiplied by 7.65% (\$8,854.86)
- \$341.51	FIT
- \$75.90	SIT
- \$154.96	LOCAL (18-13)
- \$15.09	NET PAY

"K" Screen Entry

Ded Name	No.	Freq.	Amt.	Goal	Utility	MTD	YTD
Def Comp	X 45 x	All Periods	X 6830.00	X 00000.00	0110000	0.00	0.00

"POT" Screen Entry

PERSONNEL CABINET		PEPOT010
SPECIAL PAYMENTS		12/03/2002
COMPANY: 47792 EMPLOYEE NO. 0 999999999		
PAY NO: 11	INDICATORS:	TAX DED CHECK 5 7 3
FROM DATE: ____	TO DATE: ____	
SPECIAL PAY HOURS: 22500 SPECIAL PAY RATE/AMOUNT: _____ AMOUNT/RATE INDICATOR: _____		
ORG PBU FUND		
LABOR DISTRIBUTION CODE: _____ EXTRACT (Y = EXTRACT): <u>Y</u> -----EXPANDED LABOR DISTRIBUTION-----		
ACTIVITY	FUNCTION	SUB OBJ PROJECT SUB ORG TERMINI REP CATEGORY
_____	_____	_____

The 917 Termination Pay is entered in the same manner.

You have to wait until the next payroll before you can enter the 917 transaction

***They **cannot** be lumped together. Don't forget to do a supplemental notification.

There must be at least a \$5.00 net.

The programmer has fixed the screen to reflect the Social Security Max.